UNITED NATIONS

DP

Governing Council of the United Nations Development Programme

Distr.
GENERAL

DP/CP/BHU/NOTE/4*
15 April 1985

ORIGINAL: ENGLISH

Thirty-second session
June 1985, New York
Item 5 (b) of the annotated agenda

COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

Consideration and approval of country programmes

FOURTH COUNTRY PROGRAMME FOR BHUTAN

Note by the Administrator

Programme period	Illustrative IPF for 1982-1986 at 55 per cent
	$20.075 million

I. NATURE OF THE PROGRAMMING EXERCISE

1. The preparation of the fourth country programme, which was carried out over a period of six months, coincided with the Government's intensive review of the national development strategy in the context of the country's sixth five-year plan (March 1992). The programming exercise was conducted with the closest co-operation between the Government and the UNDP field office. Agencies of the United Nations system contributed very significantly to the exercise through missions as well as by way of comments and suggestions.

* The notes by the Administrator concerning the previous country programmes for Bhutan were issued under document symbols DP/GC/BHU/R.1/RECOMMENDATION, DP/GC/BHU/R.2/RECOMMENDATION and DP/GC/BHU/R.3/RECOMMENDATION.

2. The third country programme for Bhutan covered the years 1981-1985. The time frame for the fourth country programme (1986-1991) compares with the currency of Bhutan's national development plans as it covers the last year of an extended fifth five-year plan and almost the full duration of the sixth plan.

3. Bhutan fully subscribes to the continuous programming approach. The present country programme is viewed as a framework for co-ordinated efforts. It identifies the scope for complementary, mutually-reinforcing activities by Bhutan's development co-operation partners. The country programme is forward-looking and broad-based, and incorporates an integrated approach to external assistance appropriate to the present stage of Bhutan's development. Annual reviews will be conducted to re-establish regularly the validity and relevance of the programme in a dynamic setting.

II. RELATION OF THE COUNTRY PROGRAMME TO NATIONAL DEVELOPMENT OBJECTIVES

4. Bhutan aims at maintaining the pace and momentum of development generated in recent years, to bring about meaningful changes in the living standards of the people and to promote a self-reliant, balanced, equitable and healthy pattern of social and economic growth. Having started relatively recently on the path of modern development, Bhutan has since built up basic human, physical, and institutional infrastructures and experience to embark on a larger and more well-directed development effort in the coming years.

5. Under the fifth and sixth plans, restructuring and modernization of the governmental organization and systems will be implemented. In this effort, the development of human and institutional resources is being given particular attention. Arrangements for surveys, conservation and scientific utilization of natural resources are also being strengthened.

6. In the above context, Bhutan regards co-operation from UNDP and the United Nations system in general as an essential complement to the assistance available from other multilateral and bilateral sources in support of the national development plans. UNDP assistance is directed specifically to the following major types of activities:

(a) Preparation of sectoral and subsectoral analyses and pre-feasibility and feasibility studies needed to develop programmes and projects to attract capital investments and additional technical assistance;

(b) Removal of technical weaknesses and gaps inhibiting the more effective development of various productive sectors of the economy and the greater impact of development efforts and resources;

(c) Strengthening of all-round management capabilities, planning and delivery systems and the institutional base for development;

(d) Alleviation of acute shortages in the trained manpower required for development activities.

III. CONTENT OF THE COUNTRY PROGRAMME

7. About 40 per cent of the IPF resources are programmed for building up a solid base for technical and professional training. Other substantial elements in the country programme relate to natural resources assessment and development, education, transport and communications, and strengthening the national management and development planning and outreach systems. The programme retains a broad-based character.

8. Accordingly, a shift away from the equipment component of the programme is expected to occur, bringing down the share of equipment to 30 per cent as compared to more than 40 per cent in earlier programme cycles.

9. Linkages of technical assistance with capital investments acquire greater importance as Bhutan's development co-operation partners diversify. IPF support is being extended to activities involving International Bank for Reconstruction and Development, Asian Development Bank and International Fund for Agricultural Development.